

FILED

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA 03 JUL 28 PM 3:34
SOUTHERN DIVISION

MASTER DOCKET CV 03-BE-1500-S

U.S. DISTRICT COURT
N.D. OF ALABAMA

In re HEALTHSOUTH CORPORATION
STOCKHOLDER LITIGATION,

Consolidated Case No.
CV-03-BE-1501-S

This Document Relates To: All Actions

In re HEALTHSOUTH CORPORATION
BONDHOLDER LITIGATION,

Consolidated File No.
CV-03-BE-1502-S

This Document Relates To: All Actions

In re HEALTHSOUTH ERISA
LITIGATION,

Consolidated File No.
CV-03-BE-1700-S

This Document Relates To: All Actions

In re HEALTHSOUTH CORPORATION
INSURANCE LITIGATION,

Consolidated File No.
CV-03-BE-1139-S

This Document Relates To: All Actions

In re HEALTHSOUTH CORPORATION
DERIVATIVE LITIGATION,

Consolidated File No.
CV-02-BE-2565-S

This Document Relates To: All Actions

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ORDER APPOINTING HEALTHSOUTH STEERING COMMITTEE

This court is currently presiding over the following lawsuits against HealthSouth Corporation and numerous individual defendants: (1) *In re HealthSouth Corporation Stockholder Litigation*, Consolidated Case No. CV-03-BE-1501-S; (2) *In re HealthSouth Corporation Bondholder Litigation*, Consolidated Case No. CV-03-BE-1502-S; (3) *In re HealthSouth ERISA Litigation*, Consolidated Case No. CV-03-BE-1700-S; (4) *In re HealthSouth Corporation Insurance Litigation*, Consolidated Case No. CV-03-1139-S; and (5) *In re HealthSouth Corporation Derivative Litigation*, Consolidated Case No. CV-02-2565-S.

To avoid duplicative discovery and thereby preserve the resources of all litigants, the court hereby APPOINTS the following attorneys to serve on a general HealthSouth Steering Committee (“the Federal Committee”):

1. On behalf of all Insurance Company Plaintiffs:
Michael Keeley
Strasburger Attorneys at Law (214.651.4718)
2. On behalf of the ERISA Plaintiffs:
Derek W. Loeser
Keller Rohrback LLP (206.623.1900)
3. On behalf of the Derivative Plaintiffs:
John Somerville
Galloway & Somerville, LLC (205.871.2183)
4. On behalf of the Bondholder Plaintiffs:
David Guin
Donaldson & Guin LLC (205.226.2282)
5. On behalf of the Stockholder Plaintiffs:
Edward P. Dietrich
Milberg Weiss Bershad Hynes & Lerach LLP (619.571.5394)

6. On behalf of all Outside Directors / Current Officers / Unindicted Individual Defendants:
N. Lee Cooper
Maynard Cooper & Gale (205.254.1028)
7. On behalf of Defendant HealthSouth Corporation:
J. Michael Rediker
Michael Choy
Haskell Slaughter Young & Rediker LLC (205.254.1401)

Edward Welch
Skadden Arps Slate Meagher & Flom LLP (302.651.3060)
8. On behalf of all Indicted Individual Defendants:
Joseph A. Fawal
Fawal & Spina (205.939.1330)
9. On behalf of Defendant Richard Scrushy:
Gary H. Baise
Baise & Miller, P.C. (202.331.9100)

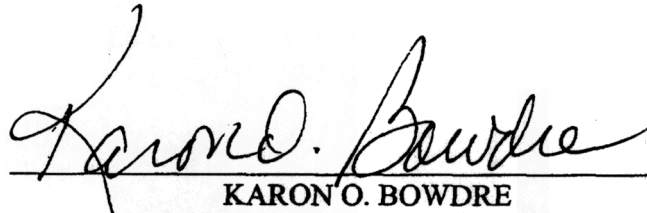
Also pending before Judge Horn in the Circuit Court of Jefferson County, Alabama are the following actions against HealthSouth Corporation: (1) *Tucker v. HealthSouth*, CV-02-5212; (2) *Klein v. HealthSouth*; (3) *Lebovitz v. Chamberlin*, CV-02-6006; (4) *Francis v. HealthSouth*, CV-03-1782; (5) *Nichols v. HealthSouth*, CV-03-2023; (6) *McPhillips v. Owens*, CV-03-2420; (7) *Federal Insurance Company v. HealthSouth*, CV-03-2420; (8) *Greenwich Insurance Company v. HealthSouth*, CV-03-3522.

In coordination with Judge Horn, the Federal Committee shall work with a State HealthSouth Steering Committee ("the State Committee") to be appointed by Judge Horn. Specifically, the Joint State and Federal Committee ("the Joint Committee") shall conduct and coordinate discovery in the above cases and in any cases subsequently filed against HealthSouth Corporation and assigned to either Judge Bowdre or Judge Horn. The court APPOINTS Michael Choy to serve as a liaison for the Joint Committee. Mr. Choy is responsible for notifying all attorneys on the Joint Committee of any hearings regarding HealthSouth Corporation in both

state and federal courts.

The Joint Committee is ORDERED to meet and confer within fourteen (14) days of the date of this Order to discuss options for proceeding in a coordinated fashion. Items to be discussed at this meeting include the possibility of an early settlement and/or mediation of all actions and an alternative procedure for conducting discovery and motion practice in the above cases. The Joint Committee shall submit a written proposal regarding the above items to both courts by **4:30 p.m. on September 19, 2003**. The individual members of the Joint Committee are reminded that they have a continuing duty to serve the best interests of their clients and that an efficient resolution of this complex litigation should be strongly considered as in the best interests of those clients.

DONE and ORDERED this 24th day of July, 2003.


KARON O. BOWDRE
UNITED STATES DISTRICT JUDGE